

My View: Water, sewer transfer offers a deal for residents

By: Greg Ballard & Carey Lykins

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Last week the City of Indianapolis and Citizens Energy Group announced the signing of a memorandum of understanding regarding the transfer of the city's water and wastewater systems to Citizens.

After more than seven months of public conversation, input from the Mayor's Infrastructure Advisory Commission and deliberation by city officials, we believe our proposed solution is the right choice for Indianapolis.

This once-in-a-generation opportunity will create water and wastewater rates that are markedly lower than other options available to the city, while providing Indianapolis with \$425 million for much-needed funding to repair deteriorating neighborhood streets, sidewalks, bridges, curbs, parks and other critical infrastructure.

Citizens will keep our community's water systems under public ownership and manage them as a not-for-profit for the benefit of the community. Upon approval by the City-County Council and the Indiana Utility Regulatory Commission, this new structure will ensure outstanding service at the lowest possible rates, enabling the city to remain competitive as an affordable place to live and attract jobs.

After transfer to Citizens, the water and wastewater utilities will be governed by the nonpartisan Citizens Board of Directors, a group of accomplished Marion County residents whose primary responsibility is to ensure the utility is operated like a not-for-profit for community benefit. The Citizens Board is fully accountable to elected officials, regulators and, most of all, its owners -- the citizens of our community. Further accountability is ensured because utilities under Citizens are regulated by the IURC, with additional oversight by the Indiana Office of Utility Consumer Counselor.

Indianapolis has some of the most attractive amenities in the entire country, but they have come at a cost -- the neglect of our basic infrastructure needs. It is time to invest in our neighborhoods in a way unprecedented in our city's history.

Not only will we significantly upgrade much of our city's infrastructure, we also will create thousands of jobs with our plan to invest hundreds of millions of dollars in the Indianapolis community -- jobs much needed by our local construction industry and building trades during this economic downturn.

The city's water and wastewater systems, currently managed by Veolia Water and United Water, respectively, require billions of dollars in investment over the next 20 years to ensure system reliability and to comply with unfunded federal environmental standards and mandates. These investments will require rate increases for the foreseeable future, regardless of who owns the water and wastewater utilities.

As a result of our negotiations, and though rates will rise to address previously neglected maintenance, rates are estimated to be demonstrably lower than otherwise projected. The synergies created by combining the operations of the water and wastewater utilities with Citizens' gas, steam and chilled water systems will result in millions of dollars of savings that will be passed on to ratepayers.